



Senate

General Assembly

File No. 575

February Session, 2016

Substitute Senate Bill No. 104

Senate, April 11, 2016

The Committee on Government Administration and Elections reported through SEN. CASSANO, S. of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT ESTABLISHING THE STATE CIVIC NETWORK.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (45) of subsection (a) of section 16-1 of the
2 2016 supplement to the general statutes is repealed and the following
3 is substituted in lieu thereof (*Effective July 1, 2016*):

4 (45) ["The Connecticut Television Network" means the General
5 Assembly's state-wide twenty-four-hour state public affairs
6 programming service, separate and distinct from community access
7 channels] "The State Civic Network" means the state-wide cable
8 programming channel and Internet web site established under section
9 2 of this act that provides (A) live and archived coverage of state
10 government and civic affairs, and (B) access to information about the
11 processes and actions of the legislative, executive and judicial
12 branches;

13 Sec. 2. (NEW) (*Effective July 1, 2016*) (a) There is established a State

14 Civic Network to provide, through a dedicated, basic tier cable
15 programming channel and an Internet web site, television coverage,
16 live transmission of video and audio material over the Internet and
17 digital video archives of proceedings impacting the state, including,
18 but not limited to: (1) Legislative meetings, hearings and sessions; (2)
19 arguments before the Supreme Court, Appellate Court and Superior
20 Court; (3) executive state agency hearings and meetings; (4) public
21 policy discussions, debates, press conferences and civic events; (5)
22 election coverage and coverage related to the electoral process; and (6)
23 studio productions and educational videos providing additional
24 information on the working of the government of the state.

25 (b) The State Civic Network shall be managed by a nonprofit,
26 nonpartisan organization that is funded by subscribers of community
27 antenna television systems pursuant to 47 USC 531 et seq. and selected
28 in accordance with section 3 of this act. Such organization shall: (1)
29 Provide the staffing, institutional expertise and board governance to
30 operate the State Civic Network in a nonpartisan and independent
31 manner; (2) establish, maintain and revise as necessary operating
32 agreements with each branch of government; (3) maintain the State
33 Civic Network's operational and editorial independence in a manner
34 consistent with the provisions of such operating agreements; (4)
35 establish, maintain and revise as necessary carriage distribution and
36 retransmission agreements with appropriate video programming
37 services, including, but not limited to, cable television, direct broadcast
38 satellite and broadband video; and (5) provide, operate and maintain
39 all equipment and infrastructure needed for the programming,
40 engineering and distribution of State Civic Network programming.

41 (c) Each community antenna television company and each
42 multichannel video programming distributor shall include the State
43 Civic Network in its basic service package.

44 (d) As used in this section, "multichannel video programming
45 distributor" means a multichannel video programming distributor, as
46 defined in 47 CFR 76.1300, as amended from time to time, and includes

47 an owner of an open video system, as defined in 47 CFR 76.1500, as
48 amended from time to time.

49 Sec. 3. (NEW) (*Effective July 1, 2016*) (a) The Public Utilities
50 Regulatory Authority shall issue a request for proposals and
51 subsequently assign responsibility for managing the State Civic
52 Network established under section 2 of this act for a period of ten
53 years to a nonprofit, nonpartisan organization located in the state that
54 the authority determines to be the most qualified, based on the
55 following criteria: (1) The organization's performance and experience
56 in providing gavel-to-gavel coverage of state government proceedings;
57 (2) the operating plan and technology plan submitted by the
58 organization for providing coverage of state government proceedings;
59 (3) the organization's proposed budget, including expenses for salaries,
60 consultants, attorneys and other professionals; (4) the quality and
61 quantity of the programming to be created, promoted, facilitated or
62 continued by the organization; (5) the organization's procedures to
63 ensure compliance with federal and state law, including the
64 regulations of Connecticut state agencies; and (6) any other criteria
65 determined to be relevant by the authority. At the conclusion of the
66 initial ten-year term, and every ten years thereafter, the authority shall
67 hold a hearing, in accordance with the provisions of chapter 54 of the
68 general statutes, concerning the ability of the organization previously
69 selected to continue its responsibility for managing the State Civic
70 Network. In its decision following such a hearing, the authority may
71 assign the responsibility for management of the State Civic Network to
72 another organization or the previously selected organization in
73 accordance with the procedure set forth in this subsection.

74 (b) If an organization assigned responsibility for managing the State
75 Civic Network ceases to provide such management, such organization
76 shall transfer its network-related assets to the successor organization
77 assigned such responsibility or, if no successor organization is
78 assigned such responsibility, to another nonprofit organization within
79 the state selected by the authority.

80 (c) All assets related to the operation of the State Civic Network that
81 are owned by the state of Connecticut on June 30, 2016, shall be
82 transferred to the organization assigned responsibility for managing
83 the State Civic Network not later than ninety days after the authority's
84 issuance of a decision under subsection (a) of this section.

85 Sec. 4. (NEW) (*Effective July 1, 2016*) (a) There is established a State
86 Civic Network Advisory Council. The council shall consist of the
87 following members: (1) One appointed by the speaker of the House of
88 Representatives; (2) one appointed by the president pro tempore of the
89 Senate; (3) one appointed by the minority leader of the House of
90 Representatives; (4) one appointed by the minority leader of the
91 Senate; (5) four appointed by the Governor; and (6) four appointed by
92 the Chief Justice of the Connecticut Supreme Court.

93 (b) All initial appointments to the council shall be made not later
94 than September 1, 2016, and shall terminate on June 30, 2017, June 30,
95 2018, June 30, 2019, and June 30, 2020, respectively, as set forth in
96 subsection (d) of this section, regardless of when the initial
97 appointment was made.

98 (c) The Governor shall select the chairperson of the council from
99 among the members of the council. Such chairperson shall schedule
100 the first meeting of the council. The council shall meet at least twice a
101 year.

102 (d) Appointed members of the council shall serve for four-year
103 terms which shall commence on July first in the year of the
104 appointment, except as provided in subsection (b) of this section and
105 except that members first appointed shall have the following terms: (1)
106 One member appointed by the Governor, one member appointed by
107 the Chief Justice and the member appointed by the minority leader of
108 the House of Representatives, who shall each initially serve a term of
109 one year; (2) one member appointed by the Governor, one member
110 appointed by the Chief Justice and the member appointed by the
111 minority leader of the Senate, who shall each initially serve a term of
112 two years; (3) one member appointed by the Governor, one member

113 appointed by the Chief Justice and the member appointed by the
114 speaker of the House of Representatives, who shall each initially serve
115 a term of three years; and (4) one member appointed by the Governor,
116 one member appointed by the Chief Justice and the member appointed
117 by the president pro tempore of the Senate, who shall each initially
118 serve a term of four years. Members shall continue to serve until their
119 successors are appointed.

120 (e) Any vacancy shall be filled by the appointing authority. Any
121 vacancy occurring other than by expiration of term shall be filled for
122 the balance of the unexpired term.

123 (f) The members of the council shall serve without compensation.

124 (g) The council shall have the following powers and duties: (1) To
125 serve as a liaison between the nonprofit organization responsible for
126 managing the State Civic Network and the executive, judicial and
127 legislative branches; (2) to obtain from any executive, judicial or
128 legislative department, board, commission or other agency of the state
129 such assistance and data as necessary and available to carry out the
130 purposes of this section; (3) to accept any gift, donation or bequest for
131 the purpose of performing the duties described in this section; and (4)
132 to perform such other acts as may be necessary and appropriate to
133 carry out the duties described in this section.

134 Sec. 5. Subsection (i) of section 16-331 of the general statutes is
135 repealed and the following is substituted in lieu thereof (*Effective July*
136 *1, 2016*):

137 (i) Notwithstanding the provisions of subsections (b) and (d) of this
138 section, the authority shall not renew a franchise for a term of more
139 than five years if the authority determines that the person, association
140 or corporation, during the term of the prior franchise, has substantially
141 failed to (1) deal effectively with consumer requests, complaints and
142 billing or service questions and disputes; (2) provide quality and
143 diversity of programming; (3) maintain fair and reasonable rates for
144 basic and extended basic service, and associated equipment, taking

145 into consideration the quality of service and programming provided to
 146 consumers; (4) provide quality community access programming,
 147 including public access, educational access, governmental access
 148 programming and the [Connecticut Television] State Civic Network or
 149 its successor; or (5) meet commitments for service extension to
 150 customers within the franchise area. Nothing in this subsection shall
 151 authorize the authority to set specific rates for service or associated
 152 equipment.

153 Sec. 6. Section 2-71x of the general statutes is repealed. (*Effective July*
 154 *1, 2016*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2016</i>	16-1(a)(45)
Sec. 2	<i>July 1, 2016</i>	New section
Sec. 3	<i>July 1, 2016</i>	New section
Sec. 4	<i>July 1, 2016</i>	New section
Sec. 5	<i>July 1, 2016</i>	16-331(i)
Sec. 6	<i>July 1, 2016</i>	Repealer section

GAE *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 17 \$	FY 18 \$
Various State Agencies	All Funds - Cost	See Below	See Below
Department of Revenue Services	GF - Revenue Gain	3.2 million	3.2 million

Note: All Funds=All Funds; GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 17 \$	FY 18 \$
Various Municipalities	Cost	See Below	See Below

Explanation

The bill establishes the State Civic Network (Network) and requires the Network to be funded by cable subscribers which will result in a potential cost to the state and municipalities as ratepayers.

The bill also requires the Network to be managed by a nonprofit, nonpartisan organization selected by the Public Utilities Regulatory Authority (PURA) and requires the state to transfer any assets it owns as of June 30 2016, that are related to the State Civic Network's operation, to the organization. This provision will result in a loss of asset value to the state.

Lastly, the bill eliminates an existing annual diversion of \$3.2 million in Public Service Companies tax revenue from the General Fund to the Office of Legislative Management. This results in a \$3.2 million General Fund revenue gain annually beginning in FY 17.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 104*****AN ACT ESTABLISHING THE STATE CIVIC NETWORK.*****SUMMARY:**

This bill establishes the State Civic Network, funded by cable subscribers and managed by a nonprofit, nonpartisan organization selected by the Public Utilities Regulatory Authority (PURA) through a request for proposals (RFP). The bill establishes the State Civic Network to provide, through a dedicated, basic tier cable programming channel and website, television coverage, live video and audio transmission online, and digital archives of proceedings impacting the state.

The bill requires cable television companies and multichannel video programming distributors (e.g., direct broadcast satellite services) to carry the network. Federal law appears to prohibit states from regulating the provision of direct broadcast satellite services.

The bill also establishes a 12-member State Civic Network Advisory Council, to, among other things, act as a liaison between the organization managing the State Civic Network and the state government branches covered by the network.

The bill eliminates statutory reference to the Connecticut Television Network (CTN), which, under current law, is the General Assembly's state-wide 24-hour state public affairs programming service, distinct from community access channels. The bill eliminates a requirement that the comptroller set aside \$3.2 million per year from the cable television companies' tax to defray the Office of Legislative Management's costs of providing CTN coverage.

EFFECTIVE DATE: July 1, 2016

STATE CIVIC NETWORK COVERAGE

Under the bill, proceedings covered by the State Civic Network include:

1. legislative meetings, hearings, and sessions;
2. arguments before the Connecticut Supreme Court, Appellate Court, and Superior Courts;
3. executive state agency hearings and meetings;
4. public policy discussions, debates, press conferences, and civic events;
5. coverage of elections and the electoral process; and
6. studio productions and educational videos providing additional information on the state government.

The bill requires cable television companies and multichannel video programming distributors to carry the network. Under the bill, “multichannel video programming distributors” (1) are entities that make available for purchase, by subscribers or customers, multiple channels of video programming, and (2) include cable operators, direct broadcast satellite services, television receive-only satellite program distributors, and satellite master antenna television system operators.

It appears the bill's requirement that multichannel video programming distributors (e.g., direct broadcast satellite services) include the State Civic Network in their basic service package may conflict with federal law, which provides that the Federal Communications Commission (FCC) has exclusive jurisdiction to regulate the provision of direct-to-home satellite services (47 USC § 303(v)).

Current law requires cable companies to provide CTN or its successor to its subscribers as a condition of PURA renewing their franchise. The bill instead requires the companies to provide the State

Civic Network. (In practice, most cable companies in the state have obtained a certificate of cable franchise authority from PURA that does not have to be renewed.)

MANAGEMENT

Organization Duties

The bill requires the organization managing the State Civic Network to:

1. provide staffing, institutional expertise, and board governance to operate the State Civic Network in a nonpartisan and independent manner;
2. establish, maintain, and revise as necessary operating agreements with each branch of government;
3. maintain the network's operational and editorial independence consistent with operating agreements;
4. establish, maintain, and revise as necessary carriage distribution and retransmission agreements with appropriate video programming services, including cable television, direct broadcast satellite, and broadband video; and
5. provide, operate, and maintain all equipment and infrastructure needed for programming, engineering, and distribution of State Civic Network programming.

PURA's Initial RFP Requirements

The bill requires PURA to issue an RFP to select a nonprofit nonpartisan organization to manage the State Civic Network for a 10-year period. The bill directs PURA to determine and select the most qualified organization, based on:

1. the organization's performance and experience in providing gavel-to-gavel coverage of state government proceedings;
2. the organization's operating plan and technology plan to cover

state government proceedings;

3. the organization's proposed budget, including expenses for salaries, consultants, attorneys, and other professionals;
4. the quality and quantity of programming to be created, promoted, facilitated, or continued by the organization;
5. the organization's procedures to ensure compliance with federal and state law, including state regulations; and
6. any other criteria PURA determines relevant.

Subsequent Terms

Under the bill, after the initial 10-year term, and every 10 years thereafter, PURA must hold a fair hearing concerning the previously selected organization's ability to continue managing the State Civic Network. In its decision following the hearing, PURA may assign responsibility for management of the State Civic Network to the previously selected organization or another organization. (In cases when PURA selects another organization, the bill appears to require a new RFP.)

Asset Transfer

The bill requires the state to transfer any assets it owns as of June 30 2016 that are related to the State Civic Network's operation, to the organization PURA selects to manage the network within 90 days of PURA's decision.

Under the bill, if an organization responsible for managing the State Civic Network ceases to provide management, it must transfer its network-related assets to a successor organization, or, if none is designated, to another nonprofit within the state selected by PURA. (The bill does not define "network-related assets.")

STATE CIVIC NETWORK ADVISORY COUNCIL

Duties

The bill establishes the State Civic Network Advisory Council to:

1. serve as liaison between the nonprofit that manages the State Civic Network and the state government branches covered by the network;
2. obtain available assistance and data as necessary to perform its duties from any executive, judicial, or legislative department, board, commission, or other state agency;
3. accept gifts, donations, and bequests to perform its duties; and
4. perform other acts as necessary and appropriate to carry out its duties.

Appointments

Under the bill, the 12-member council consists of (1) four members appointed by the governor, (2) four members appointed by the Connecticut Supreme Court Chief Justice, and (3) four members appointed by legislative leaders. The initial appointments have staggered terms, as shown in Table 1. Under the bill, all initial council appointments must be made by September 1, 2016. Excluding the initial term, appointees to the council serve for four year terms, but members serve until their successors are appointed. The bill requires appointing authorities to fill any vacancy on the council, filling vacancies occurring before a term expires for the balance of the unexpired term. Under the bill, council members serve without compensation.

Table 1: State Civic Network Advisory Council Initial Terms

<i>Members</i>	<i>Appointing Authority</i>
One Year Initial Term, Ending June 30, 2017	
1	Governor
1	Chief Justice
1	House minority leader
Two Year Initial Term, Ending June 30, 2018	
1	Governor

1	Chief Justice
1	Senate minority leader
Three Year Initial Term, Ending June 30, 2019	
1	Governor
1	Chief Justice
1	House speaker
Four Year Initial Term, Ending June 30, 2020	
1	Governor
1	Chief Justice
1	Senate president pro tempore

The bill requires the governor to select the council's chairperson from its members. Under the bill, the council must meet at least twice per year and the chairperson must schedule its first meeting.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 8 Nay 6 (03/21/2016)